UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/895,605	06/29/2001	Daniel Stefek	BARR0005	6760

22862	7590	09/21/2004

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EXAMINER
BOOKER, KELVIN E

ART UNIT	PAPER NUMBER
2121	

DATE MAILED: 09/21/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 10/03)

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *15 May 2004*.

2a)☒ This action is **FINAL**.   2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-8* is/are pending in the application.

    4a) Of the above claim(s) *1* is/are withdrawn from consideration.

5)☒ Claim(s) *4* is/are allowed.

6)☒ Claim(s) *2,3 and 5-8* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All   b)☐ Some * c)☐ None of:

    1.☐ Certified copies of the priority documents have been received.

    2.☐ Certified copies of the priority documents have been received in Application No. _____.

    3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
   Paper No(s)/Mail Date *2,5*.

4) ☐ Interview Summary (PTO-413)
   Paper No(s)/Mail Date. _____.

5) ☐ Notice of Informal Patent Application (PTO-152)

6) ☒ Other: *Detailed Office Action*.

DETAILED ACTION

Response to Amendment

1. In the amendment filed March 15, 2004, dates have been provided for references "E" and "F"

of the Information Disclosure Statement; the title has been amended to further describe the

intended invention; **claim one** has been canceled; **claims two and three** have been amended;

and claims 4-8 have been added. **Claims 2-8** are presented for further consideration.

Response to Arguments

2. Applicant's arguments with respect to **claims 1-3** have been considered but are moot in view

of the new ground(s) of rejection.

Claim Rejections - 35 USC § 102

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the

basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless --
>
> (e) the invention was described in (1) an application for patent, published under section 122(b), by another filed
> in the United States before the invention by the applicant for patent or (2) a patent granted on an application for
> patent by another filed in the United States before the invention by the applicant for patent, except that an
> international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this
> subsection of an application filed in the United States only if the international application designated the United
> States and was published under Article 21(2) of such treaty in the English language.

4. **Claims 2, 3 and 5-8** are rejected under 35 U.S.C. 102(e) as being anticipated by Schirripa,

U.S. Patent No. 6,282,520 [hereafter Schirripa].

As per claim 2, Schirripa teaches of a computer implemented method for combining two or more risk models for providing an investor with a risk model with wider scope than its constituent parts, comprising the steps of the computer:

A. denoting a class [e.g., portfolio or grouping] of algorithms for constructing estimates of covariance matrices from time histories of data (see column 1, line 37 through column 3, line 30: algorithms denoting asset classes and weighted portfolio proportions);

B. denoting a class of asset classes (see: column 1, lines 59-63: portfolio of weighted asset classes);

C. denoting a class of multi-factor risk models (see column 2, lines 28-43: modeling risk based upon combined risk factors); and

D. constructing risk models for each asset class as follows:

(1) applying a method to estimate a covariance matrix from a history (see column 2, lines 13-28); and

(2) combining asset class risk models to form and output a risk model with broad coverage that is consistent with each asset class model (see figure 1 and column 2, lines 13 through column 3, line 40.).

As per claim 3, Schirripa teaches of a computer implemented method comprising the step of applying a different method to estimate a covariance matrix from a history (see column 6, lines 25 through 30: analyzing several methods of combining risk).

As per claim 5, Schirripa teaches of a system for combining two or more risk models for providing an investor with a risk model with wider scope than its constituent parts, comprising the steps of the computer:

A. computer means for denoting a class [e.g., portfolio or grouping] of algorithms for constructing estimates of covariance matrices from time histories of data (see figure 4, column 7, line 1 through column 8, line 62; and column 1, line 37 through column 3, line 30: system facilitation of algorithms denoting asset classes and weighted portfolio proportions);

B. computer means for denoting a class of asset classes (see figure 4, column 7, line 1 through column 8, line 62; and column 1, lines 59-63: system facilitating a portfolio of weighted asset classes);

C. computer means for denoting a class of multi-factor risk models (see figure 4, column 7, line 1 through column 8, line 62; and column 2, lines 28-43: system for modeling risk based upon combined risk factors); and

D. computer means for constructing risk models for each asset class as follows:

(1) computer means for applying a method to estimate a covariance matrix from a history (see figure 4, column 7, line 1 through column 8, line 62; and column 2, lines 13-28); and

(2) computer means for combining asset class risk models to form and output a risk model with broad coverage that is consistent with each asset class model (see figure 4, column 7, line 1 through column 8, line 62; figure 1; and column 2, lines 13 through column 3, line 40.).

As per claim 6, Schirripa teaches of a system comprising the step of applying a different method to estimate a covariance matrix from a history (see figure 4, column 7, line 1 through column 8, line 62; and column 6, lines 25 through 30: system for analyzing several methods of combining risk).

As per claim 7 and 8, the same limitations are subjected to in claims 2 and 3, respectively, therefore the same rejections apply (see claims 2 and 3 above).

Allowable Subject Matter

5. **Claim 4** is allowed.

6. The following is a statement of reasons for the indication of allowable subject matter:

the cited prior art fails to explicitly teach of a method consistent with the algorithmic disclosure noted in claim four, whereby denoting class and risk factor relationships respective of the algorithms governing the combination of models.

Conclusion

7. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event,

however, will the statutory period for reply expire later than SIX MONTHS from the date of this

final action.

8.   The following prior art made of record and not relied upon is considered pertinent to

applicant's disclosure:

A. Kossovsky et al., U.S. Patent Application Publication No. 2002/0004775;

B. Hunter, U.S. Patent Application Publication No. 2003/0126058;

C. Ikeda et al., U.S. Patent Application Publication No. 2004/0103056;

D. Browne et al., U.S. Patent Application Publication No. 2003/0014356;

E. Jones et al., U.S. Patent No. 6,021,397;

F. Ogryscak et al., "From Stochastic Dominance to Mean-Risk Models: Semideviations

as Risk Measures";

G. Pininski et al., "A Risk and Decision Model for the Optimal Investment in Plant

Protection";

H. Amir et al., "Identifying a Time-Dependent Covariate Effect in The Additive Risk

Model"; and

I. Chen et al., "An Integrative Approach to Modeling the World Equity Market".

9.   An inquiry concerning this communication or earlier communications from the examiner

should be directed to Kelvin Booker whose telephone number is (703) 308-4088. After

October 13, 2004, Mr. Booker can be reached at (571) 272-3681. The examiner can normally be

reached on Monday-Friday from 7:00 AM-5:30 PM EST.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Anthony Knight, can be reached on (703) 308-3179. After October 13, 2004, Mr. Knight can be reached at (571) 272-3687. The fax number for the organization where this application or proceeding is assigned is (703) 872-9306.

An inquiry of a general nature or relating to the status of this application proceeding should be directed to the receptionist whose telephone number is (703) 305-3900.

Anthony Knight
Supervisory Patent Examiner
Group 3600

K.E.B.

Art Unit 2121

September 17, 2004